

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

Grantees eligible to receive funds under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) are required to complete a substantial amendment to their Consolidated Plan 2008 Action Plan. This form sets forth the required format for this substantial amendment. A completed form is due to HUD within 60 days of the publication of the HUD HPRP notice.

To aid grantees in meeting this submission deadline, the HPRP Notice reduces the requirement for a 30-day public comment period to no less than 12 calendar days for this substantial amendment. With this exception, HPRP grantees are required to follow their Consolidated Plan's citizen participation process, including consultation with the Continuum of Care (CoC) in the appropriate jurisdiction(s). Grantees are also required to coordinate HPRP activities with the CoC's strategies for homeless prevention and ending homelessness. To maximize transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed.

A complete submission contains the following three documents:

- 1) A signed and dated SF-424,
- 2) A completed form HUD-40119 (this form), and
- 3) Signed and dated General Consolidated Plan and HPRP certifications.

For additional information regarding the HPRP program, visit the HUD Homelessness Resource Exchange (www.hudhre.info). This site will be regularly updated to include HPRP resources developed by HUD and its technical assistance providers.

The information collection requirements contained in this application have been submitted to the Office of Management and Budget (OMB) for review under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Information is submitted in accordance with the regulatory authority contained in each program rule. The information will be used to rate applications, determine eligibility, and establish grant amounts.

Public reporting burden for this collection of information is estimated to be 16 hours, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. To the extent that any information collected is of a confidential nature, there will be compliance with Privacy Act requirements. However, the substantial amendment to the Consolidated Plan 2008 Action Plan does not request the submission of such information.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

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A. General Information

Grantee Name	Michigan State Housing Development Authority (MSHDA)
Name of Entity or Department Administering Funds	Office of Rental Development and Homeless Initiatives
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Janet Irrer
Title	Homeless Programs Manager
Address Line 1	735 E. Michigan Avenue
Address Line 2	PO Box 30044
City, State, Zip Code	Lansing, MI 48909
Telephone	(517) 335-3038
Fax	(517) 373-3147
Email Address	irrerj@michigan.gov
Authorized Official (if different from Contact Person)	Keith Molin
Title	Executive Director, Michigan State Housing Development Authority
Address Line 1	735 E. Michigan Avenue
Address Line 2	PO Box 30044
City, State, Zip Code	Lansing, MI 48909
Telephone	(517) 373-6022
Fax	(517) 373-7657
Email Address	molink@michigan.gov
Web Address where this Form is Posted	www.michigan.gov/mshda

Amount Grantee is Eligible to Receive*	\$22,108,890
Amount Grantee is Requesting	\$22,108,890

*Amounts are available at <http://www.hud.gov/recovery/homelesspreventrecov.xls>

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B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

Response: The State's Citizen Participation requirements for substantial amendments states that the public is given reasonable notice and opportunity to comment through a public notice in a newspaper(s) with statewide circulation. The public comment period, pursuant to the HPRP regulatory modification, is 12 days.

The State placed a public notice in six newspapers around the state on April 16, 2009 announcing the availability of the HPRP Substantial Amendment on the MSHDA Website at www.michigan.gov/mshda. The public comment period commenced on April 16, 2009 and will end on April 28, 2009. The public notice directed interested parties to submit comments to the Consolidated Plan Coordinator via written correspondence or by electronic submission. The public notice included complete and appropriate contact information.

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options: Reserved
☐ Grantee did not receive public comments.
☒ Grantee received and accepted all public comments.
☐ Grantee received public comments and did not accept one or more of the comments.
3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

Response: Reserved

C. Distribution and Administration of Funds

Reminder: The HPRP grant will be made by means of a grant agreement executed by HUD and the grantee. The three-year deadline to expend funds begins when HUD signs the grant agreement. Grantees should ensure that sufficient planning is in place to begin to expend funds shortly after grant agreement.

1. Check the process(es) that the grantee plans to use to select subgrantees. Note that a subgrantee is defined as the organization to which the grantee provides HPRP funds.
☐ Competitive Process

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X Formula Allocation

☐ Other (Specify: _____)

2. Briefly describe the process(es) indicated in question 1 above (limit 250 words).

Response: The amount awarded to each CoC can be found at www.michigan.gov/mshda. **Allocation was based on the following analysis:**

Number of homeless and persons living in severe poverty were used to allocate funds.

1. **Homeless Counts:** Homeless count estimates for each of Michigan's 83 counties were completed for the period of 10/1/2007 through 9/30/2008.
2. **# of Persons Living in Poverty:** An estimate of persons at or below 50% of poverty was generated for each CoC using American Community Survey data for 2005-2007, or 2007 overall poverty estimates.

3. Calculation: Allocation Amounts were generated in two steps.

a. Step 1: Direct funded CoCs also received a portion of State program dollars. Allocations were determined as follows:

- i. A "**Needs Ratio**" was generated for each of the State's 60 CoCs:

$$\frac{\# \text{ of Homeless in CoC} + \# \text{ in Poverty in CoC}}{\text{Total \# of Homeless and Persons in Poverty Statewide}}$$

- ii. A "**Projected Award**" amount was then computed for each CoC:

$$\text{Projected Award} = \text{Needs Ratio} \times \text{State Allocation } (\$22,108,890)$$

- iii. The Projected Award amount for each of the 12 CoCs receiving direct allocations was then reduced to ensure equanimity of funding for all CoCs. This reduction factor was computed using the Federal Allocation ratio of direct dollars to overall dollars ($\$31,031,268 / \$53,140,158 = .584$):

$$.584 \text{ factor} \times \text{Projected Award} = \text{State Program \$ Allocated to Direct funded CoCs.}$$

b. Step 2: Allocations for State Program funds.

- i. For the 48 remaining CoCs, the Needs Ratio was recalculated excluding data from the 12 that received direct awards. The revised Needs Ratio was then incorporated into the following allocation formula:

$$\text{Needs Ratio} \times \$13,638,873 = \text{Total Recommended Allocations by CoC.}$$

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3. Briefly describe the process the grantee plans to use, once HUD signs the grant agreement, to allocate funds available to subgrantees by September 30, 2009, as required by the HPRP Notice (limit 250 words).

Response: Timeline for Technical Assistance, Submission and Grant Award

April 17, 2009	Posting of NOFA and Substantial Amendment to MSHDA's Consolidated Plan – Go to
May 1, 2009	MSHDA submits application to HUD (grant application includes the substantial amendment, SF-424, and certifications).
June 23, 2009	Questions & Answer Conference Calls: Phone (877) 402-9753 Access Code: 1413972 <ul style="list-style-type: none"> • 9:00 a.m. – 11:00 p.m. • 1:00 p.m. – 3:00 p.m.
July 2, 2009	HUD's reviews complete.
July 3, 2009	MSHDA releases HPRP NOFA and Community Housing Assistance Plan application.
July 31, 2009	HPRP Community Housing Assistance Plan is due to MSHDA.
August 15, 2009	Notify Communities of Awards
August 20, 2009	Mail the HPRP grant agreements to grantees.
August 31, 2009	Signed grant agreements returned to MSHDA.
October 5, 2009	Initial Performance Report due to MSHDA
October 10, 2009	Initial Performance Report due from MSHDA to HUD

Immediately upon receipt of the executed grant agreement from HUD, MSHDA will officially issue its HPRP Notification of Funding Availability (NOFA) and application. All applications will be reviewed and approved by a state interagency team led by MSHDA. This team will work collaboratively with sub-grantees to

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assure that their submission meets all the requirements of HPRP, that an effective local team is in place to provide service and housing delivery, and that the assigned local Lead Agency has capacity to carry out the responsibilities of fiduciary.

Users of HPRP will be required to enter data on HMIS. On a quarterly basis, an HMIS outcomes report (to be provided) will be reviewed and signed by the CoC chairperson and sent to MSHDA. Evaluation of program outcomes through the collection of data in HMIS will include the number and characteristics of those assisted, the type and effectiveness of services delivered, and relative costs associated with the interventions. Key goals are: Prevent people from becoming homeless; decrease homelessness through the provision of services and strategies that rapidly re-house people at risk; retention in housing. MSHDA has qualitative outcomes, too numerous to mention here.

Grantees will request funding from the state's automated grant system known as the Homeless Assistance Link Online (HALO).

4. Describe the grantee's plan for ensuring the effective and timely use of HPRP grant funds on eligible activities, as outlined in the HPRP Notice. Include a description of how the grantee plans to oversee and monitor the administration and use of its own HPRP funds, as well as those used by its subgrantees (limit 500 words).

Response: Immediately after MSHDA's submission to HUD on May 1, MSHDA staff will begin training CoC Bodies for receipt of HPRP funds (both web based and presentations at regional workshops). Guidance materials will be posted on MSHDA's web site. Providing training and guidance materials early in the process will ensure that sub-grantees are ready to implement programs that effectively address HPRP requirements in a timely manner. MSHDA will provide training throughout the term of the grant, as needed.

MSHDA will assure successful oversight of HPRP funding through a plan that incorporates oversight and monitoring at the local, regional and state level. It begins with a requirement that all sub-grantees report real-time client level data, including number of persons served and their demographic information on Michigan's HMIS system. In addition, sub-grantees will be required to use MSHDA's HALO data system for documentation and approval of each participant that receives financial assistance (short and medium term leasing assistance) and for the draw down of HPRP funds. The HALO system is a proven ,successful tool in administering MSHDA's ESG and HOME Tenant Based Rental Assistance (TBRA). We anticipate that most sub-grantees will have prior experience utilizing the HALO system; MSHDA has staff available to immediately train those who do not. MSHDA will dedicate staff to review and monitor the HPRP activities of each sub-grantee through HALO. Local CoC's will also be required to review their data monthly to assure that the needs of the community are addressed and that required performance measures are met.

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In 2006 Michigan became the first state in the nation to have every one of its counties covered by a ten-year plan to end homelessness; sixty plans covering all eighty-three counties. MSHDA spearheaded a state, regional and local collaborative structure to implement these plans under the umbrella of the Michigan 10-Year Campaign to End Homelessness (Campaign). Eight Regional Councils were created to provide oversight of the Campaign. This regional structure will provide additional oversight of performance outcomes through HPRP. Sub-grantees, through their local CoC, will report to their regional council quarterly. The Regional Councils will provide feedback to the CoC and MSHDA. MSHDA will consider this feedback as part of the overall evaluation of the program.

MSHDA's Homeless Assistance Manager will provide oversight of her staff to assure effective monitoring of the HPRP. MSHDA Homeless Assistance staff will be assigned to provide on-going oversight and monitoring of each sub-grantee. Staff monitoring will include 1) approvals for funding draws (leasing assistance and stabilization services), 2) review of participant eligibility for services, 3) verification that sub-grantees provide required HMIS and HALO data, 4) appropriate record keeping is in place, and 5) funds are used for eligible HPRP activities. In addition, each sub-grantee will be required to submit standardized quarterly reports. MSHDA will complete and submit the required HPRP reports based on these sub-grantee quarterly reports and other data and narrative as prescribed by HUD.

D. Collaboration

1. Briefly describe how the grantee plans to collaborate with the local agencies that can serve similar target populations, which received funds under the American Recovery and Reinvestment Act of 2009 from other Federal agencies, including the U.S. Departments of Education, Health and Human Services, Homeland Security, and Labor (limit 250 words).

Response: At the State level the Campaign's Statewide Leadership Team (SLT), comprised of representatives from many of the state agencies impacted by the ARRA, meet monthly to collaborate on ways to continuously improve service delivery systems and to overcome systemic barriers effecting the quality and effectiveness of those systems. For example, the Michigan Department of Human Services recently established an anti-poverty campaign and incorporated MSHDA's homelessness regionalization approach into its design, thereby aligning all of the anti-poverty and homeless services provider efforts into a relatively seamless process. As more resources become available, the SLT works ardently to find ways to reduce duplication and improve access to services, with the goal of improving client outcomes.

At the local level, collaboration with local branches of state level agencies is required as part of MSHDA's NOFA and application process. CoC Bodies will

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designate one Lead Agency. The Lead Agency, in conjunction with the CoC Body, will be required to complete a Community Housing Action Plan (CHAP) as part of their application. (The Lead Agency will be referred to as the “CHAP Lead Agency” as the agency will be administrator and fiduciary the Community Housing Action Plan. The CHAP Lead Agency may subcontract duties but provide oversight and fiduciary agency) The CHAP Lead Agency and CoC Chair will be required to describe their plan to collaborate with local agencies receiving ARRA funds in their CHAP.

2. Briefly describe how the grantee plans to collaborate with appropriate Continuum(s) of Care and mainstream resources regarding HPRP activities (limit 250 words).

Response: As Michigan’s state recipient, MSHDA will be awarding funds on a formula basis to a lead agency designated by the CoC Bodies. The CoC Body will meet to create a CHAP. The goal of the CHAP is to transform homeless assistance in the community from providing shelter to preventing homelessness and quickly re-housing people that do become homeless, stretching resources as far as possible. The CoC Chairperson, local Departments of Human Services and Community Health, and the Community Collaborative Chair must sign-off on the CHAP and application before it is submitted to MSHDA. MSHDA requires sign-offs from these agencies on all funding as it ensures collaboration, thereby efficiently and effectively working to end homelessness and assist those in poverty.

In addition, the State of Michigan has a long history of supporting and participating in collaborative efforts within its homeless service and prevention delivery system. Programs have been routinely required to develop Inter-Agency Service teams to provide coordinated case management for its clients. Many areas have already moved to improve client access to prevention services by centralizing the intake process and/or standardizing administrative and programmatic policies and procedures.

3. Briefly describe how HPRP grant funds for financial assistance and housing relocation/stabilization services will be used in a manner that is consistent with the grantee’s Consolidated Plan (limit 250 words).

Response: The State’s Consolidated Plan (CP) incorporates in whole, through reference, Michigan’s 10-Year Campaign to End Homelessness (Campaign). The Campaign clearly reflects a commitment to support the development of programming which effectively closes the front door into homelessness and opens the back door out of homelessness. The Campaign identifies the need for statewide funding for homeless prevention, rapid re-housing initiatives, Housing First strategies, and data collection and evaluation.

MSHDA allocates its own and CP resources based on the needs identified in the CP and the Campaign:

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- Annually, MSHDA supplements Federal ESG funding with \$5M in MSHDA general operating funds. These funds are used for homeless prevention and case management activities, as described in HPRP. The demand for these funds always greatly exceeds the resources.
- HOME dollars are allocated annually for housing activities that establish housing opportunities for homeless persons, providing more opportunities for our prevention programs, like those allowed in HPRP, to succeed.
- HARP vouchers are made available through a homeless preference. The State has established a homeless preference in its housing choice voucher program (HARP) that will continue into the future. HARP will assist in the long term stabilization of many households assisted in the short term with HPRP funds.
- Project based voucher are targeted, were eligible, for the homeless, providing another potential resource for long term assistance for those households assisted with HPRP.
- MSHDA general funds are used for Project Homeless Connect, SOAR, (a program that assists people who are homeless to successfully apply for SSI/SSI), the Homeless Management Information System, Housing Resource Centers (one stop shops for the homeless), the Campaign to End Homelessness Web-site, and other activities that embrace ending homelessness in Michigan.

All of these programs will provide support to the stated outcomes of the HPRP, consistent with the identified needs and goals of the State's CP and Campaign.

E. Estimated Budget Summary

HUD requires the grantee to complete the following table so that participants in the citizen participation process may see the grantee's preliminary estimated amounts for various HPRP activities. Enter the estimated budget amounts for each activity in the appropriate column and row. The grantee will be required to report actual amounts in subsequent reporting.

HPRP Estimated Budget Summary			
	Homelessness Prevention	Rapid Re- housing	Total Amount Budgeted
Financial Assistance ¹ (35% Prevention & 38% Rapid Re-Housing = 73%)	\$ 7,738,112	\$ 8,401,378	\$ 16,139,490
Housing Relocation and Stabilization Services ² (10% Prevention & 10% Rapid Re-housing = 20%)	\$ 2,210,889	\$ 2,210,889	\$ 4,421,778
Subtotal	\$ 9,949,001	\$ 10,612,267	\$ 20,561,268

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(add previous two rows)			
Data Collection and Evaluation ³ (up to 2% passed on to sub-grantees)	\$ 442,178		
Administration (up to 5% of allocation) 5% passed on to sub-grantees	\$ 1,105,444		
Total HPRP Amount Budgeted⁴	\$22,108,890		

¹Financial assistance includes the following activities as detailed in the HPRP Notice: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers.

²Housing relocation and stabilization services include the following activities as detailed in the HPRP Notice: case management, outreach, housing search and placement, legal services, mediation, and credit repair.

³Data collection and evaluation includes costs associated with operating HUD-approved homeless management information systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds.

⁴This amount must match the amount entered in the cell on the table in Section A titled "Amount Grantee is Requesting."

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F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

Signature/Authorized Official

Date

Title